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November 25, 2013

We are grateful for the opportunity to comment on "The Path to Transformation: Concept Paper for an 1115 Waiver for Illinois Medicaid" on behalf of the 91,000 members of Service Employees International Union Healthcare Illinois-Indiana. Most members of SEIU HCII work in the health care delivery system as front-line caregivers in settings from acute to long-term services, and have deeply-held interests in health care access, outcomes, and the health of populations the 1115 waiver seeks to improve. This is why we are playing an active role in the steering committee of the Alliance for Health and the State Health Care Innovation Plan process, and intend to work with the State as an active stakeholder-partner in the 1115 waiver process.

SEIU HCII supports creation of the integrated, efficient, and rebalanced Medicaid system envisioned by the "Path to Transformation" concept paper. The four pathways in the concept paper would each be ambitious on their own in terms of the scope of potential changes. We offer these comments in the spirit of moving forward a conversation to help realize the full potential for communities around the state of the major initiatives proposed.

Pathway #1: Home and Community Based Infrastructure, Coordination and Choice

The concept paper calls for consolidating all HCBS waivers "rationalizing service arrays and choices so they are based on beneficiary need and preferences…rather than on disability or condition." SEIU HCII supports the basic principle behind increasing consumer choice by eliminating limits on which services are available based on population definitions in each 1915(c) waiver. However, the call for consolidation also raises concerns about how it will be achieved. For example, seniors and people with physical disabilities with same DON score get very different service packages right now, with people with physical disabilities generally receiving more home care hours. Individuals with developmental disabilities are currently on a 1915(c) waiver with a long waiting list, while other groups are on waivers with no waiting list. The rationalization process must not result in cuts to services to some waiver populations as part of increasing availability of services to other populations. Defining need across populations and standardizing service definitions must be done in ways that prevent this from occurring.

As the State increases use of coordinated care for Seniors and People with Disabilities, this raises another question about keeping appropriate service hours in place. Existing care coordination programs include continuity-of-care transition periods during which managed care organizations cannot change care plans, including service hours. State oversight systems must have processes in place to track and review and reductions in hours after the transition period ends. Fragmentation and lack of coordination in the existing system is an issue for the SPD population in particular. Many SEIU HCII members who work in Long-Term Services and Supports are aware of and frustrated by this fragmentation, yet we also see every day how effective the Home Services Program and Community Care Program can be. SEIU HCII supports care coordination initiatives that build on these successful programs and improve access to quality services for Medicaid beneficiaries. Basic oversight of care plans and hours reductions should help realize this premise for the SPD population, or at minimum help give insight into whether improved access to quality services is actually being achieved.

One goal of the 1115 waiver is to expand the choices available to HCBS consumers. The waiver should also facilitate consumer direction of how assistance is performed day-to-day. Choice certainly represents a step forward, but the waiver should also reflect that people receiving services have the knowledge, perspective, and right to control the services that so profoundly affect the quality and independence of lives they lead. HCBS service array standardization should reflect this principle; at minimum, consumer-directedness of some services on current 1915(c) waivers should not be compromised.

Given the vastly increased need for HCBS in a well-coordinated, rebalanced system in the context of an aging population, the waiver should include investment in the workforce that will provide these services. SEIU has a long history raising standards for homecare workers, and creating opportunities for training. However, we believe that they remain underutilized in the health care delivery system. A home care worker who can communicate with a primary care physician or care coordinator about a consumer's chronic conditions, for example, can help prevent avoidable hospitalizations and medical interventions that cause both suffering for the consumer and high costs for the system. The existing workforce has not been prepared to play this role in the delivery system however, and neither programs nor providers have been held accountable for these goals, making investments in workforce development necessary. Workforce investments we recommend the state should commit to through the waiver process include: enhancing HCBS training standards to reflect the needs of integrated delivery systems; raising wage and benefit standards for underpaid workers, reducing turnover and lifting the workforce from poverty; strengthening related minimum standards for transparency and public reporting for home care agencies and other LTSS employers.

Pathway #2: Delivery System Transformation

Description of this pathway in the concept paper begins with expansion of managed care models. Even taking into account clarifications expressed by the State in the November 14 stakeholder meetings that an 1115 waiver would not accelerate managed care rollout timelines or do an end-run around the

structures in place, managed care programs are clearly the major way Illinois is transforming its delivery system at present. This is especially true in Long-Term Services and Supports. In addition, there is limited experience with managed LTSS, not just in Illinois but nationwide. SEIU HCII believes that for managed care to realize its potential in terms of better outcomes for the targeted populations, 1) consumer protections and quality assurances should be in place appropriate to a plan to realize cost savings in part through reductions in utilization, and 2) multi-disciplinary teams for MLTSS consumers should include direct service workers, especially homecare workers, in appropriate ways. At a minimum, the State should require managed care entities to allow self-directed personal assistance services, and quality measures for managed care entities should include measures of consumer satisfaction and ability to access services. Including homecare workers in multi-disciplinary teams is a unique opportunity to incorporate intimately detailed, day-to-day knowledge of the consumer's condition. Properly integrated into a coordinated care model, home care workers can realize their potential to improve the quality and experience of care for consumers, reduce costly ER and hospital utilization, and reduce avoidable institutionalization. In addition it will require investment in workforce training to create the most effective interactions with a coordinated system.

The concept paper describes incentive packages to drive specific changes in the hospital and nursing home sectors of the state's delivery system, including facility downsizing or closure. In framing these measures, the paper points to the goals of reducing hospital admissions and to the state's high rank in nursing home beds compared to senior population. While reducing certain types of hospital utilization is an admirable goal at the system level, at the community level an associated downsizing or closure may be truly disruptive. SEIU HCII urges that there should be no downsizing or closing of hospitals when the community lacks other health care resources to make up for a loss of inpatient beds. Careful assessment of community health needs and other existing capacity must precede any reduction in inpatient capacity to ensure the community can be well-served as changes take place.

Another set of health system transformation initiatives described would facilitate development of integrated delivery systems, through incentive-based pools and technical assistance. SEIU HCII recommends that assistance in implementing technology such as HIT/HIE or other infrastructure associated with integration should prioritize preparing safety net providers that have demonstrated a willingness to participate in the integrated care models. The concept paper acknowledges the importance and the relative fragility of such providers with the "access assurance pool… to cover uninsured and unreimbursed Medicaid costs to assure access"; the full potential of that measure will not be realized if safety net providers find themselves unable to overcome technology barriers to participate in integrated delivery systems.

Pathway #3: Build Capacity of the Health Care System for Population Health Management

There is an eloquent passage in the concept paper section on Home and Community Based Services about poverty as a social determinant of health, stating that

> for our clients who live in poverty, it is the social, cultural, environmental, economic and other factors that are the major causes of rates of illness and the magnitude of health disparities. Illinois Medicaid needs to reposition itself to directly tackle these multiple, challenging causes of ill health associated with poverty, with a renewed emphasis on the social determinants of health throughout all of our programs, services, policies and reform initiatives.

SEIU HCII supports this commitment by the State enthusiastically. We believe similar language belongs in the population health pathway to frame measures that move the health care delivery system from "sick care" to a focus on interventions that keep whole populations well.

Among other population health measures SEIU HCII supports, we believe successful efforts to raise health care workers out of poverty should be protected and built upon through the 1115 waiver. Population health is poorly served by perpetuating poverty among large swathes of the health care workforce. Reimbursement methodologies for institutional provider types such as hospitals have low wages for service workers and some direct care staff built into prospective payment systems or capitated rates. We do not believe this reflects intention of payers as much as it does a general absence of will to include living wages as an investment in population health. We were pleased by references to living wages for health workers in Alliance for Health discussions and in the draft State Health Care Innovation Plan, and the above-quoted reference to poverty as a social determinant of health in the concept paper. At minimum, the cost curve used to determine budget neutrality must include meaningful annual wage increases for workers.

Pathway #4: 21st Century Health Care Workforce

We are pleased that the State has made the decision to treat investment in workforce transformation as a distinct pathway in the waiver concept, rather than assuming workforce changes may simply follow from changes focused elsewhere, on payments, providers, or regulations, for example. In our view this decision is correct, and vitally important if system transformation is to succeed.

In its section on the workforce, the concept paper focuses primarily on physicians and to a lesser extent others who complete extensive coursework before entering a profession. However, the largest shortages of health care workers by far will be in direct care provision in Long-Term Care. These and other non-physician providers face workforce challenges and their inclusion in the workforce pathway of the waiver should be greater. In Long-Term Care specifically, SEIU HCII recommends inclusion of the enhanced home care program that appeared in the full State Health Care Innovation Plan in the 1115 waiver plan.

In addition, if the State plans to encourage any kind of "right-sizing" of hospital and nursing home capacity, there must be plans in place to re-train workers. Neglecting the existing workforce in facilities at risk for closure or downsizing both hurts communities that depend on them for employment and deprives the new delivery system of a source of experienced, reliable workers who could effectively take on new roles.

In Conclusion

SEIU Healthcare Illinois-Indiana looks forward to continued engagement in stakeholder discussions that refine these pathways to transformation, help the State to submit the strongest waiver application possible, and provide meaningful input into an implementation plan.

[signature – Keith Kelleher, President, SEIU-HCII]